



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 23, 1997

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Treasurer  
Kings County Republican Committee  
32 Court Street, #10  
Brooklyn, New York 11202-4404

RE: MUR 4648  
Kings County Republican  
Committee and its treasurer

Dear Sir or Madam:

On June 17, 1997, the Federal Election Commission found that there is reason to believe the Kings County Republican Committee and its treasurer, violated 2 U.S.C. §§ 433(a), 434(a)(1) and 441b(a), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Statements should be submitted under oath. All responses to the enclosed Subpoena to Produce Documents and Order to Submit Written Answers must be submitted within 30 days of your receipt of this subpoena and order. Any additional materials or statements you wish to submit should accompany the response to the subpoena and order. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. If you intend to be represented by counsel, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General

*Celebrating the Commission's 20th Anniversary*

YESTERDAY, TODAY AND TOMORROW  
DEDICATED TO KEEPING THE PUBLIC INFORMED

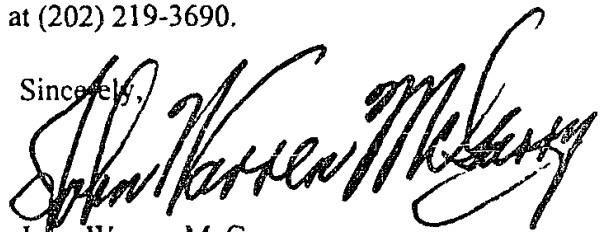
Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, requests for pre-probable cause conciliation will not be entertained after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Tony Buckley, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,



John Warren McGarry  
Chairman

Enclosures  
Subpoena and Order  
Factual and Legal Analysis  
Procedures  
Designation of Counsel Form

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of

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MUR 4648

**SUBPOENA TO PRODUCE DOCUMENTS**  
**ORDER TO SUBMIT WRITTEN ANSWERS**

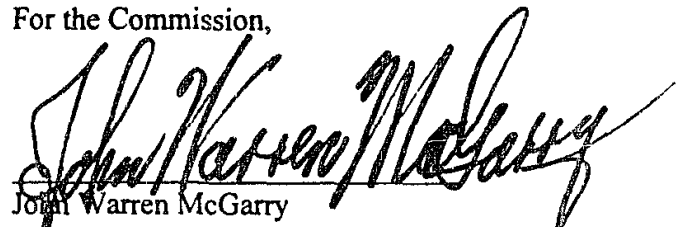
TO: Kings County Republican Committee  
32 Court Street, #10  
Brooklyn, New York 11202-4404

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

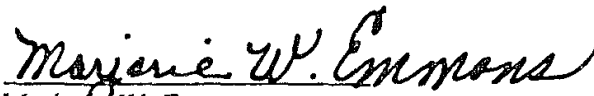
Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 30 days of receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his  
hand in Washington, D.C. on this 23rd day of June, 1997.

For the Commission,

  
John Warren McGarry  
Chairman

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Instructions  
Definitions  
Questions and Production of Documents

### INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1991 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

### DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Committee" shall mean the New York Republican Federal Campaign Committee.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and request for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

"1994 election cycle" shall mean the time period from January 1, 1993 through December 31, 1994.

**QUESTIONS AND PRODUCTION OF DOCUMENTS**

1. Identify all officers and employees of the Kings County Republican Committee. State the purpose of the Kings County Republican Committee. Describe the relationship between the Kings County Republican Committee and Dorn & Associates, P.C.
2. Identify all persons who made contributions to the Kings County Republican Committee during the 1994 election cycle. State the amount of each contribution and the date on which it was made.
3. Identify all persons who were involved in the decision to disburse funds of the Kings County Republican Committee on behalf of the Committee, just prior to the 1994 general election.
4. Identify all persons who were involved in the decision to disburse funds of the Committee to the Kings County Republican Committee, as reported on the Committee's 1994 30-Day Post-General Report. Identify all other persons who were aware of this decision.
5. Produce all documents which mention or which otherwise refer or relate to the disbursements to Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio, Luther Mook and the Kings County Republican Committee, which were reported on the Committee's 1994 30-Day Post-General Report. Produce all documents which contain information regarding the persons to whom Jeffrey T. Buley, David R. Dudley, Mary F. Obwald, Gregory V. Serio, Luther Mook and the Kings County Republican Committee, were to distribute the funds disbursed to them. Identify all documents consulted in responding to this Subpoena and Order. Identify all individuals, not otherwise identified in response to any of the above questions, who have knowledge or information related to the answers to the above questions.

## FEDERAL ELECTION COMMISSION

### FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Kings County Republican Committee  
and its treasurer

MUR: 4648

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. *See* 2 U.S.C. § 437g(a)(2).

#### A. Applicable Law

Pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"), every political committee which is not an authorized committee and which is not a separate segregated fund shall file a statement of organization with the Commission within 10 days after becoming a political committee within the meaning of the Act. 2 U.S.C. § 433(a). Pursuant to 2 U.S.C. § 431(4)(C), a local committee of a political party is a "political committee" for purposes of the Act if it receives contributions aggregating in excess of \$5,000 during a calendar year, or makes payments exempted from the Act's definition of "contribution" or "expenditure" aggregating in excess of \$5,000 during a calendar year, or makes contributions or expenditures aggregating in excess of \$1,000 during a calendar year. All political committees must file reports of receipts and disbursements with the Commission. 2 U.S.C. § 434(a)(1). Such reports must include contributions received and expenditures made. *See generally* 2 U.S.C. § 434(b).

Pursuant to 2 U.S.C. § 441b(a), it is illegal for any corporation to make a contribution in connection with any election for Federal office, or for any political committee to accept any such contribution. A contribution is "any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value . . . to any . . . political party or



organization, in connection with any election" to Federal office. 2 U.S.C. § 441b(b)(2). The Commission has previously found reason to believe that section 441b(a) has been violated when a non-federal account transfers, and a political committee accepts, funds which contained corporate money. *See, e.g.,* MUR 2535, *In the Matter of Treen for Congress Committee*; *see also* 11 C.F.R. § 102.6(a)(1)(iv) (which requires that transfers of funds between certain committees be made only with funds which are permissible under the Act).

### **B. Analysis**

The New York Republican Federal Campaign Committee ("NYRFCC") reported a disbursement of \$5,000 on its 1994 30-Day Post-General Report to the Kings County Republican Committee ("KCRC") for "election day expenses." The disbursement occurred on November 9, 1994, for an election which occurred on November 8, 1994. The NYRFCC allocated \$1,100 of the disbursement for the federal election.

Because the disbursement to the KCRC was made on November 9, 1994, the day after the general election, this suggests that the KCRC advanced \$5,000 on behalf of the NYRFCC. Thus, it appears the KCRC made an expenditure in excess of \$1,000 in a calendar year, becoming, in the process, a political committee. The KCRC has not filed a statement of organization with the Commission or filed reports of receipts and disbursements. In addition, while it is unknown whether the funds which were used were "clean" funds, New York State law allows corporate and labor union contributions. Thus the KCRC may have made a contribution containing such funds.

Therefore, there is reason to believe that the Kings County Republican Committee and its treasurer violated 2 U.S.C. §§ 433(a), 434(a)(1) and 441b(a).